Small Business Administration

Privacy Impact Assessment

For

Loan Accounting System

September 2005

Privacy Impact Assessment Authorization
Memorandum

I have carefully assessed the Privacy Impact Assessment for the Loan Accounting System/Loan Accounting Daily Update Cycle System. This document has been completed in accordance with the requirements of the E-Government Act of 2002.

MANAGEMENT CERTIFICATION – Please check the appropriate statement.

_____ The document is accepted.

_____ The document is accepted pending the changes noted.

_____ The document is not accepted.

We fully accept the changes as needed improvements and authorize initiation of work to proceed. Based on our authority and judgment, the continued operation of this system is authorized.

_____   _____
System Manager/Capital Access   DATE

_____   _____
System Manager/CFO   DATE

_____   _____
System Manager/OCIO   DATE

_____   _____
OCIO/Project Representative   DATE

_____   _____
Program/Office Head/Capital Access   DATE

_____   _____
Program/Office Head/CFO   DATE

_____   _____
Program/Office Head/OCIO   DATE

_____   _____
OCIO   DATE

_____   _____
Chief FOI/PA   DATE

_____   _____
Senior Official for Privacy   DATE

Name of Project: Loan Accounting System
Program Office: Capital Access, CFO, OCIO
Project's Unique ID:

A. **CONTACT INFORMATION:**

1. **Who is the person completing this document?**
   Ann Bradbury
   Financial Analyst, Office of Financial Assistance
   202-205-7507
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2. **Who is the system owner?**
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       michael.hager@sba.gov, (202) 205-6663
   Thomas Dumaresq, Chief Financial Officer, Office of the CFO
       thomas.dumaresq@sba.gov, (202) 205-6449
   Charles McClam, Deputy Chief Information Officer, OCIO
       charles.mcclam@sba.gov, (202) 205-6708

3. **Who is the system manager for this system or application?**
   Stephen Kucharski, Capital Access, (202) 205-7551
       stephen.kucharski@sba.gov
   Deepak Bhargava, Chief Financial Officer, Office of the CFO, (202) 205-7420
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   David Sawyer, Director, OCIO, (202) 205-6012
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4. **Who is the IT Security Manager who reviewed this document?** Yes.
   Ethel Matthews
   Chief Information Security Officer
   (202) 205-7173
   ethyl.matthews@sba.gov

5. **Did the Chief FOI/PA review this document?** Yes.
   Lisa Babcock
   FOI/PA Office
   (202) 401-8203
   lisa.babcock@sba.gov

6. **Did the Agency's Senior Office for Privacy review this document?** Yes,
   Delorice P. Ford
   Senior Agency Official for Privacy
   (202) 205-7340
   delorice.ford@sba.gov

7. Who is the Reviewing Official?
Delorice P. Ford
Senior Agency Official for Privacy
(202) 205-7340
delorice.ford@sba.gov

B. SYSTEM APPLICATION/GENERAL INFORMATION:

1. Does this system contain any information about individuals?
Yes

(a) Is this information identifiable to the individual?
Yes

(b) Is the information about individual members of the public?
Yes
(If YES, a PIA must be submitted with the OMB Exhibit 300 and with the IT Security C&A documentation)

(c) Is the information about employees?
No

2. What is the purpose of the system/application?

The system is a database of SBA loans, including guaranteed business loans 7(a)and 503/504, microloans to intermediaries, and disaster business and home loans, enabling the Agency to track payments, servicing, liquidation, litigation and accounting actions on the individual loans and includes the following subsystems:
- Credit Bureau Reporting,
- Delinquent Loan Collection System,
- Field Cashiering System
- General Ledger Only
- IRS 1099C System,
- Loan Litigation & Liquidation Tracking System,
- Microloan Mainframe,
- Preauthorized Debit System, and
- Treasury Offset System

3. What legal authority authorizes the purchase or development of this system/application?

15 U.S.C. § 634(b)(6), 44 U.S.C. § 3101.
Public Law 85-536, 15 U.S.C. § 631 et seq. (Small Business Act, all provisions relating to loan programs); 44 U.S.C. § 3101 (Records Management by Federal Agencies); and Public Law 103-62 (Government Performance and Results Act).
Public Law 85-699 as amended 15 U.S.C. §661 et seq. (Small Business Investment Act of 1958, all provisions relating to loan programs)

C. DATA in the SYSTEM:

1. **Generally describe the type of information to be used in the system and what categories of individuals are covered in the system?**
   Borrowers, Principals of Borrowers, Guarantors of Borrowers, Lending Partner, Financial, address, personal identifier (SSN) and demographic

2. **What are the sources of the information in the system?**

   a. **Is the source of the information from the individual or is it taken from another source? If not directly from the individual, then what other source?**
   Lending Partners, SBAREF, Loan Application Tracking System, ALCS, DCMS, Electronic lending system

   b. **What Federal agencies are providing data for use in the system?**
   None

   c. **What State and local agencies are providing data for use in the system?**
   None

   d. **From what other third party sources will data be collected?**
   Credit Reporting Agencies

   e. **What information will be collected from the employee and the public?**
   The information in the system is derived from other SBA systems. - Etran, LATS, ALCS, DCMS, the 7(a),503, 504 Servicing System, All information about individuals is collected through those systems, this system is the database which holds all the information collected through the other systems.

3. **Accuracy, Timeliness, and Reliability**

   a. **How will data collected from sources other than SBA records be verified for accuracy?**
   Credit Reporting Agencies provide only outside data, they are the original source

   b. **How will data be checked for completeness?**
   Original Source

   c. **Is the data current?** What steps or procedures are taken to ensure the data is current and not out-of-date? Name the document (e.g., data models)

   Data is current according to Credit Reporting Agencies' records

   d. **Are the data elements described in detail and documented?** If yes, what is the name of the document?
   SOP 20 03 3 – Accounting Structure

D. **ATTRIBUTES OF THE DATA:**

   1. **Is the use of the data both relevant and necessary to the purpose for which the system is being designed?**

Yes, data is used to verify SBA program compliance and record specifics of loans

2. **Will the system derive new data or create previously unavailable data about an individual through aggregation from the information collected, and how will this be maintained and filed?**
   No
3. **Will the new data be placed in the individual's record?**
   No

4. **Can the system make determinations about employees/public that would not be possible without the new data?**
   No

5. **How will the new data be verified for relevance and accuracy?**
   N/A

6. **If the data is being consolidated, what controls are in place to protect the data from unauthorized access or use?**
   Agency Security Access Procedures – Data access is limited to those individuals with authorized use and only for specific screens as they pertain to the user's role/need

7. **If processes are being consolidated, are the proper controls remaining in place to protect the data and prevent unauthorized access?**
   Agency Security Roles and Procedures/Controls – Agency Security Access Procedures – Access is limited by control assignment of a responsibility profile to all users. Each responsibility comes with a pre-determined set of privileges, limiting data that may be viewed to those screens and reports that are within the duties and needs of the user

8. **How will the data be retrieved?**
   Data can be retrieved by personal identifier (SSN), individual name, business name, employer identifier, loan number

9. **What kinds of reports can be produced on individuals? What will be the use of these reports? Who will have access to them?**
   Reports can be produced on individual's records to respond to inquiries which comply with FOIA and Privacy Act requirements. Access is restricted to Program Officials with the "need to know" and to public inquiries where the specific data complies with FOIA and Privacy Act guidelines.

10. **What opportunities do individuals have to decline to provide information (i.e., where providing information is voluntary) or to consent to particular uses of the information (other than required or authorized uses and how individuals can grant consent.)**
    N/A

E. **MAINTENANCE AND ADMINISTRATIVE CONTROLS:**
   1. **If the system is operated in more than one site, how will consistent use of the system and data be maintained in all sites?**

System operated on one site only

2. **What are the retention periods of data in this system?**
   As delineated in SBA's Privacy Act Systems of Records, SBA 20 and SBA 21, In accordance with SBA Standard Operating Procedure 00 41 2, Item Nos. 50:04, 50:08, 50:09, 50:10, 50:11, 50:12, 50:13, 50:19, 50:22, 55:02, 70:09, 70:13, and appendices 17, 18 and 21.

3. **What are the procedures for disposition of the data at the end of the retention period? How long will the reports produced be kept? Where are the procedures documented?**
   As delineated in SBA's Privacy Act Systems of Records, SBA 20 and SBA 21, In accordance with SBA Standard Operating Procedure 00 41 2, Item Nos. 50:04, 50:08, 50:09, 50:10, 50:11, 50:12, 50:13, 50:19, 50:22, 55:02, 70:09, 70:13, and appendices 17, 18 and 21.

4. **Is the system using technologies in ways that the SBA has not previously employed (e.g., monitoring software, Smart Cards, Caller-ID)?**
   No

5. **How does the use of this technology affect public/employee privacy?**
   The System does not currently generate reports specific to individuals or individual loans. Reports can be produced on individual's records for the purpose of workload management and inquiries which comply with FOIA and Privacy Act requirements. Access is restricted to Program Officials with the "need to know" and to public inquiries where the specific data complies with FOIA and Privacy Act guidelines.

6. **Will this system provide the capability to identify, locate, and monitor individuals? If yes, explain.**
   No the system cannot identify, locate or monitor individuals. It can retrieve information by personal identifier and by name, however, only that information that is already in the system, and only by those who have been granted access to the system and then only specific to their role with SBA.

   The system does not currently generate reports specific to individuals or individual loans. Reports can be produced on individual's records for the purpose of workload management and inquiries which comply with FOIA and Privacy Act requirements. Access is restricted to Program Officials with the "need to know" and to public inquiries where the specific data complies with FOIA and Privacy Act guidelines.

7. **What kinds of information are collected as a function of the monitoring of individuals?**
   We do not monitor individuals, we monitor loans, therefore this is not applicable.

8. **What controls will be used to prevent unauthorized monitoring?**
   Agency Security Roles and Procedures/Controls – Agency Security Access Procedures – Access is limited by controlled assignment of a responsibility profile to all users. Each responsibility comes with a pre-determined set of privileges, limiting data that may be viewed to those screens and reports that are within the duties and needs of the user

9. **Under which Privacy Act systems of records notice does the system operate? Provide number and name.**

    SBA's Privacy Act Systems of Records, SBA 20 and SBA 21

10. **If the system is being modified, will the Privacy Act system of records notice require amendment or revision? Explain.**

    N/A

F. <u>ACCESS TO DATA:</u>

1. **Who will have access to the data in the system?**

    Contractors, users, managers, system administrators, developers

2. **How is access to the data by a user determined?**

    Criteria – Agency Security Roles and Procedures/Controls – Agency Security Access Procedures – Access is limited by controlled assignment of a responsibility profile to all users. Each responsibility comes with a pre-determined set of privileges, limiting data that may be viewed to those screens and reports that are within the duties and needs of the user.

3. **Will users have access to all data on the system or will the user's access be restricted?**

    Access is limited by controlled assignment of a responsibility profile to all users. Each responsibility comes with a pre-determined set of privileges, limiting data that may be viewed to those screens and reports that are within the duties and needs of the user.

4. **What controls are in place to prevent the misuse (e.g., unauthorized browsing) of data by those having access?**

    Agency Security Roles and Procedures/Controls – Agency Security Access Procedures – Access is limited by controlled assignment of a responsibility profile to all users. Each responsibility comes with a pre-determined set of privileges, limiting data that may be viewed to those screens and reports that are within the duties and needs of the user.

    Education of Agency and contractor staff regarding the Privacy Act rules and prohibitions on the dissemination or use of non-public information is mandatory and ongoing. System audit trails can be used to document suspicious or irregular log-ons and navigation of the system. Agency network log-on procedures mandate a posted Privacy notice be viewed and acknowledged prior to entry. SBA Privacy Act Systems of Records SBA 20 and SBA 21 define routine uses of this information and serve as a control by defining acceptable uses. Limiting access to sensitive financial information to only those with a need to know remains the best and primary control.

5. **Are contractors involved with the design and development of the system and will they be involved with the maintenance of the system**? If yes, are Privacy

Act contract clauses inserted in their contracts and other regulatory measures addressed?

Yes, contract clauses are inserted in their contracts and other regulatory measures addressed

6. **Do other systems share data or have access to the data in the system? If yes, explain.**

Data is downloaded to other databases; however, there is no direct interface with other systems.

7. **Who will be responsible for protecting the privacy rights of the public and employees affected by the interface?**

Office of the Chief Information Officer

8. **Will other agencies share data or have access to the data in this system (Federal, State, Local, Other)?**

No

9. **How will the data be used by the other agency?**

N/A

10. **Who is responsible for assuring proper use of the data?**

N/A